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Report on the individual review of the report upon expiration of the additional period for fulfilling commitments (true-up period) for the first commitment period of the Kyoto Protocol of Denmark

According to decisions 13/CMP.1 and 3/CMP.10, each Party included in Annex I with a commitment inscribed in Annex B to the Kyoto Protocol (Annex B Party) shall submit to the secretariat prior to 2 January 2016 a report upon expiration of the additional period for fulfilling commitments for the first commitment period of the Kyoto Protocol (hereinafter referred to as the true-up period report). The true-up period report, prepared individually for each Annex B Party, aims to facilitate the assessment of whether the aggregate anthropogenic greenhouse gas emissions for the first commitment period exceed the quantities of Kyoto Protocol units valid for the first commitment period in the retirement account of that Party. This report presents the results of the individual review of the true-up period report submission of Denmark conducted by an expert review team in accordance with Article 8 of the Kyoto Protocol.

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I. Introduction

1. This report covers the review of the report upon expiration of the additional period for fulfilling commitments for the first commitment period of the Kyoto Protocol (hereinafter referred to as the true-up period report) of Denmark, conducted in accordance with the "Guidelines for review under Article 8 of the Kyoto Protocol" (hereinafter referred to as the Article 8 review guidelines).[1] The centralized review took place from 8 to 12 February 2016 in Bonn, Germany, and was conducted by the following team of nominated experts from the UNFCCC roster of experts: Mr. Mikhail Gitarskiy (Russian Federation); Ms. Baasansuren Jamsranjav (Mongolia); Mr. Tinus Pulles (Netherlands); and Mr. Hongwei Yang (China).[2] Ms. Jamsranjav and Mr. Gitarskiy were the lead reviewers. The review was coordinated by Mr. Tomoyuki Aizawa (UNFCCC secretariat).

2. In accordance with the Article 8 review guidelines, a draft version of this report was sent to the Government of Denmark, which made no comment on it.

II. Summary and general assessment of the report

3. Table 1 provides a summary of the assessment by the expert review team (ERT) of the true-up period report submission and additional documents submitted during the review, with respect to timeliness, completeness, consistency and compliance with the commitment under Article 3, paragraph 1, of the Kyoto Protocol. Specific findings to support this assessment are presented in more detail in table 2.

Table 1
The expert review team's overall assessment of the true-up period report submission

Element	*Item*	*Fulfilled*	*Comments*
Timeliness	Did the Party submit the true-up period report and accompanying documents by 2 January 2016?	Yes	Date: 18 December 2015
Completeness	Is the submission complete?	Yes	
	Is the information reported in accordance with decision 13/CMP.1?	Yes	
Consistency	Is the reported information consistent with the compilation and accounting database and the Party's registry?	Yes	
	Is the information provided by the Party (SEF tables, R2–R5 reports[a]) consistent with the ITL information?	Yes	
Compliance	Are the aggregate anthropogenic greenhouse gas emissions below or equal to the quantities of ERUs, CERs, tCERs, lCERs, AAUs and RMUs in the retirement account?	Yes	

[1] Annex to decision 22/CMP.1.

[2] Mr. Yang was involved in the review, but was unable to attend the centralized review in Bonn due to illness.

Abbreviations: AAU = assigned amount unit, CER = certified emission reduction, ERU = emission reduction unit, ITL = international transaction log, lCER = long-term CER, RMU = removal unit, SEF = standard electronic format, tCER = temporary CER.

[a] Report R2 (list of discrepant transactions) provides information on any discrepancies identified by the international transaction log, and additional information required under decision 15/CMP.1, annex, paragraph 12; report R3 (list of clean development mechanism (CDM) notifications) provides information on any notification received by the Party from the Executive Board of the CDM, directing the Party to replace lCERs, in accordance with decision 15/CMP.1, annex, paragraphs 13 and 14; report R4 (list of non-replacements) provides information on any record of non-replacement identified by the ITL, and the additional information required under decision 15/CMP.1, annex, paragraph 15; and report R5 (list of invalid units) provides information on the quantities of Kyoto Protocol units held in the national registry that are not valid for use towards compliance with commitments under Article 3, paragraph 1, of the Kyoto Protocol, in accordance with decision 15/CMP.1, annex, paragraph 16.

III. Technical assessment of the elements reviewed

4. Denmark made its true-up period report submission on 18 December; the submission contains the true-up period report, the standard electronic format (SEF) tables for the period 1 January to 18 November 2015, the report R2[3] for the period 1 January to 18 November 2015 and the list of serial numbers for the Kyoto Protocol units in the retirement account at the end of the true-up period.

5. Table 2 contains the ERT assessment of the true-up period report submission of Denmark with respect to all elements reviewed. In that assessment, the ERT took note of the findings included in the true-up period independent assessment report (TUPAR) for the first commitment period of the Kyoto Protocol prepared by external assessors (registry system administrators). The TUPAR of Denmark was prepared and forwarded to the ERT during the review, pursuant to paragraph 5(a) of decision 16/CP.10.

Table 2
The expert review team's assessment of the elements reviewed

Mandate[a]	*Reporting requirements*	*Fulfilled*	*Comments*
Decision 3/CMP.10, paragraph 3	The true-up period report for the first commitment period was submitted by 2 January 2016	Yes	
Decision 22/CMP.1, annex, paragraph 89(a)	The Party submitted information in accordance with decision 13/CMP.1, annex, paragraph 49	Yes	
Decision 13/CMP.1, annex, paragraph 49(a)	The Party submitted and made available to the public the SEF tables for 2015 and the total quantities of the categories of ERUs, CERs, AAUs and RMUs valid for the first commitment period listed in decision 13/CMP.1, annex, paragraph 47(a–j), for the period 1 January to 18 November 2015	Yes	
Decision 13/CMP.1, annex, paragraph 49(b)	The Party submitted and made available to the public the SEF tables for 2015 and the total quantity and serial numbers of ERUs, CERs, AAUs and RMUs valid for the first commitment period in its retirement account	Yes	

[3] Report R2 is a list of discrepant transactions identified by the international transaction log.

Mandate[a]	*Reporting requirements*	*Fulfilled*	*Comments*
Decision 13/CMP.1, annex, paragraph 49(c)	The Party submitted and made available to the public the SEF tables for 2015 and the total quantity and serial numbers of ERUs, CERs and AAUs valid for the first commitment period which the Party requested to be carried over to the subsequent commitment period	Yes	
Decision 22/CMP.1, annex, paragraph 89(b)	The information submitted by the Party is consistent with the information contained in the compilation and accounting database and with the information contained in the Party's registry	Yes	
Decision 22/CMP.1, annex, paragraph 89(c)	Is the information submitted by the Party in accordance with decision 22/CMP.1, annex, paragraph 88, free of inconsistencies and problems?	Yes	See paragraph 6 below
Decision 22/CMP.1, annex, paragraph 89(d), and decision 5/CMP.1, annex, paragraph 59(a)	The information submitted by the Party shows that the quantity of AAUs, CERs, tCERs, ERUs and RMUs transferred into the tCER replacement account for the commitment period is equal to the quantity of tCERs in the retirement account, and in the tCER replacement account, that expired at the end of the commitment period	Yes	
Decision 22/CMP.1, annex, paragraph 89(e), and decision 5/CMP.1, annex, paragraph 59(b)	The information submitted by the Party shows that the quantity of AAUs, CERs, lCERs, ERUs and RMUs transferred into the lCER replacement account for the commitment period is equal to the sum of the quantity of lCERs in the retirement account, and the quantity of lCERs in the lCER replacement account, that expired at the end of the commitment period, and the quantity of lCERs identified by the Executive Board of the CDM as requiring replacement within the registry for the commitment period	Yes	
Decision 22/CMP.1, annex, paragraph 90	The Party submitted the information requested in accordance with decision 15/CMP.1, annex, paragraph 20, and decision 22/CMP.1, annex, paragraph 88	Yes	
Decision 15/CMP.1, annex, paragraph 20	The Party submitted the R2–R5 reports[b] for 2015 or provided a reference in the true-up period report (section II) and the information is accurate	Yes	

Mandate[a]	*Reporting requirements*	*Fulfilled*	*Comments*
Decision 15/CMP.1, annex, paragraph 11	The Party submitted the SEF tables for 2014 or provided a reference in the true-up period report (section II), and the information is accurate	Yes	
Decision 15/CMP.1, annex, paragraphs 12–16	The Party submitted the R2–R5 reports for 2014 or provided a reference in the true-up period report (section II), and the information is accurate	Yes	
Decision 15/CMP.1, annex, paragraph 17	The Party provided information in the true-up period report on actions to correct discrepancies, changes to the national registry to prevent discrepancies from reoccurring and resolution of previous questions of implementation pertaining to transactions (section IV.a), and the information is accurate	Yes	See paragraph 6 below
Decision 15/CMP.1, annex, paragraph 18, and decision 22/CMP.1, annex, paragraph 88(h)	The Party provided information in the true-up period report on the calculation of the commitment period reserve (section IV.b), and the information is accurate	Yes	
Decision 22/CMP.1, annex, paragraph 91	The aggregate anthropogenic greenhouse gas emissions in the first commitment period are below or equal to the quantities of ERUs, CERs, tCERs, lCERs, AAUs and RMUs in the retirement account of the Party for the first commitment period	Yes	See paragraph 7 below

Abbreviations: AAU = assigned amount unit, CDM = clean development mechanism, CER = certified emission reduction, ERU = emission reduction unit, lCER = long-term CER, RMU = removal unit, SEF = standard electronic format, tCER = temporary CER.

[a] The requirement in decision 15/CMP.1, annex, paragraph 19, relating to the access of the expert review team to the information held in the national registry is voluntary and will be checked upon request; the requirement in decision 22/CMP.1, annex, paragraph 88(i), relating to the calculation of the assigned amount to avoid double accounting for some activities under Article 3, paragraph 4, of the Kyoto Protocol (cropland management, grazing land management and revegetation) is not part of the true-up period assessment because the requirement is assessed annually as a precondition for issuing RMUs for the selected activities.

[b] Report R2 (list of discrepant transactions) provides information on any discrepancies identified by the international transaction log (ITL), and additional information required under decision 15/CMP.1, annex, paragraph 12; report R3 (list of CDM notifications) provides information on any notification received by the Party from the Executive Board of the CDM, directing the Party to replace lCERs, in accordance with decision 15/CMP.1, annex, paragraphs 13 and 14; report R4 (list of non-replacements) provides information on any record of non-replacement identified by the ITL, and the additional information required under decision 15/CMP.1, annex, paragraph 15; and report R5 (list of invalid units) provides information on the quantities of Kyoto Protocol units held in the national registry that are not valid for use towards compliance with commitments under Article 3, paragraph 1, of the Kyoto Protocol, in accordance with decision 15/CMP.1, annex, paragraph 16.

6. The ERT noted that in accordance with paragraph 17 of the annex to decision 15/CMP.1, Denmark reported in its R2 report on a discrepancy that has been identified by the international transaction log during the period 1 January to 18 November 2015, namely the proposed issuance of new removal units (RMUs) before the cancellation of previous RMUs. The problem was resolved on 27 April 2015, by finalizing the cancellation before

the new issuance of the RMUs. The ERT further noted that Denmark has updated the national procedures for cancellation and issuance of RMUs in its national registry to prevent such discrepancies from reoccurring and to ensure that the cancellation will take place before the issuance, if both actions are required. With this, the ERT considers the discrepancy problem resolved.

7. The ERT noted that the cumulative greenhouse gas (GHG) emissions of Denmark in the first commitment period were 297,947,591 t CO_2 eq. The ERT further noted that Denmark has retired the total quantity of 297,984,143 units, of which 294,566,816 units have been retired to cover Denmark's total aggregate anthropogenic GHG emissions in the period 2008–2012 under the European Union (EU) burden sharing agreement under Article 4 of the Kyoto Protocol, while 3,417,327 units have been retired to cover Greenland's total aggregate anthropogenic GHG emissions in 2008–2012, which are outside the EU burden sharing agreement. Under the EU burden sharing agreement under Article 4 of the Kyoto Protocol, Denmark has retired 36,552 extra units as a buffer in case of possible errors.

IV. Conclusions

8. The ERT concluded that the information provided by Denmark in its true-up period report submission covers all elements as required by decisions 13/CMP.1, 15/CMP.1, 3/CMP.10 and other relevant decisions of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol.

9. On the basis of the assessment of the information submitted and decision 22/CMP.1, annex, paragraph 91, the ERT concluded that the aggregate anthropogenic GHG emissions of Denmark for the first commitment period do not exceed the quantities of ERUs, CERs, temporary CERs, long-term CERs, AAUs and RMUs in the retirement account of Denmark for the first commitment period.

10. Furthermore, Denmark is one of the 15 member States of the EU which, in accordance with Article 4, paragraph 1, of the Kyoto Protocol, at the time of the deposit by the EU of its instrument of approval of the Kyoto Protocol agreed to meet their commitments under Article 3, paragraph 1, of the Kyoto Protocol for the first commitment period jointly. The ERT notes that the combined aggregate anthropogenic GHG emissions of these 15 member States for the first commitment period do not exceed the combined quantities of Kyoto Protocol units valid for the first commitment period in the retirement account of these 15 member States, and, therefore, Denmark shall be deemed to have met the commitments under Article 3, paragraph 1, of the Kyoto Protocol.

11. Although the aggregate anthropogenic GHG emissions of Denmark for the first commitment period do not exceed the quantities of Kyoto Protocol units valid for the first commitment period in the retirement account, the ERT notes that the Party decided not to request the carry-over of any Kyoto Protocol units valid for the first commitment period.

V. Questions of implementation

12. No questions of implementation were identified by the ERT during the review.

Annex I

Key relevant data for the Party in the first commitment period

Table 3
Summary of key information for Denmark in the first commitment period

Key parameters	*Values*[a]
Base year defined under the Kyoto Protocol[b] – CO_2, CH_4 and N_2O/F-gases	1990/1995
Base year GHG emissions[c] (t CO_2 eq)	69 978 070
Quantified emission limitation or reduction commitment in the first commitment period[d] – Article 4 (% of base year level)	79
Assigned amount established in accordance with Article 3, paragraph 7, of the Kyoto Protocol (t CO_2 eq)	276 838 955
Total GHG emissions in the first commitment period (t CO_2 eq)	297 947 591
Total amount of Kyoto Protocol units retired in the first commitment period (units)	297 984 143
Quantities of AAUs, CERs and ERUs that were available to be carried over to the second commitment period (units) on 19 November 2015	45 099 AAUs; 96 234 CERs; 16 993 ERUs
Quantities of AAUs, CERs and ERUs that are requested to be carried over to the second commitment period (units)	None

Abbreviations: AAU = assigned amount unit, CER = certified emission reduction, ERU = emission reduction unit, GHG = greenhouse gas, F-gases = fluorinated gases, t CO_2 eq = tonnes of carbon dioxide equivalent.

[a] Source: compilation and accounting database, international transaction log or true-up period report submitted by the Party.

[b] Parties included in Annex I may choose to use 1995 as the base year for total emissions of F-gases (hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride), in accordance with Article 3, paragraph 8, of the Kyoto Protocol.

[c] Refers to the total base year GHG emissions used for the calculation of the assigned amount pursuant to Article 3, paragraphs 7 and 8, of the Kyoto Protocol.

[d] For the first commitment period, the 15 member States at the time of the deposit by the European Union of its instrument of approval of the Kyoto Protocol agreed to meet their commitments under Article 3, paragraph 1, of the Kyoto Protocol jointly, in accordance with Article 4, paragraph 1, of the Kyoto Protocol.

Annex II

Documents and information used during the review

Reference documents

"Modalities for the accounting of assigned amounts under Article 7, paragraph 4, of the Kyoto Protocol". Annex to decision 13/CMP.1. Available at <http://unfccc.int/resource/docs/2005/cmp1/eng/08a02.pdf#page=23>.

"Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol". Annex to decision 15/CMP.1. Available at <http://unfccc.int/resource/docs/2005/cmp1/eng/08a02.pdf#page=56>.

"Guidelines for review under Article 8 of the Kyoto Protocol". Annex to decision 22/CMP.1. Available at <http://unfccc.int/resource/docs/2005/cmp1/eng/08a03.pdf#page=51>.

"Modalities and procedures for afforestation and reforestation project activities under the clean development mechanism in the first commitment period of the Kyoto Protocol". Annex to decision 5/CMP.1. Available at <http://unfccc.int/resource/docs/2005/cmp1/eng/08a01.pdf#page=61>.

"Issues relating to registry systems under Article 7, paragraph 4, of the Kyoto Protocol". Decision 16/CP.10. Available at <http://unfccc.int/resource/docs/cop10/10a02.pdf#page=64>.

"Date of the completion of the expert review process under Article 8 of the Kyoto Protocol for the first commitment period". Decision 3/CMP.10. Available at <http://unfccc.int/resource/docs/2014/cmp10/eng/09a01.pdf#page=13>.

FCCC/ARR/2014/DNK. Report on the individual review of the annual submission of Denmark submitted in 2014. Available at <http://unfccc.int/resource/docs/2015/arr/dnk.pdf>.

Annex III

Acronyms and abbreviations

AAU	assigned amount unit
CDM	clean development mechanism
CER	certified emission reduction
ERT	expert review team
ERU	emission reduction unit
GHG	greenhouse gas
ITL	international transaction log
lCER	long-term certified emission reduction
Report R2	list of discrepant transactions identified by the international transaction log
Report R3	list of notifications received from the Executive Board of the CDM directing the Party to replace long-term certified emission reductions
Report R4	list of non-replacements identified by the international transaction log
Report R5	list of units held in the national registry that are not valid for use towards compliance
RMU	removal unit
SEF	standard electronic format
tCER	temporary certified emission reduction
TUPAR	true-up period independent assessment report
UNFCCC	United Nations Framework Convention on Climate Change